

Maryland



With Pride

MARYLAND



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Market Analysis - December 16, 2004

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There were no surprises on last week’s USDA corn report. U.S. Carryover increased slightly moving to 1.844 billion bushels versus 1.819 billion last month and global carryover increased slightly moving to 1.844 billion bushels against 1.819 billion last month. Global corn carryover increased to 111.71 million tons, up 3 million from one month ago. Some analysts are suggesting that the only chance of a rally in this market is if the funds start to cover their short positions. Corn has a great week this week, but not really to do with its own fundamentals – it was all attributed to spillover support from the beans but the large supply of corn has just kept this market from rallying. By the middle of the week the March contract fell despite breaching its 20-day moving average and that was attributed to a lack of demand news. The soybean market was left relatively unaffected by Friday’s report and the funds were buyers of an estimated 8 thousand contracts that helped keep the market moving upwards. Global carryover was reduced slightly due to increased usage and a reduction in carrying stocks. On Monday of this week the funds short covered like there was no tomorrow and so prices hit the roof, and an early round of buying was triggered by an announcement that China was in the market to buy. More support came from firmer Gulf bids. Additional support on Tuesday was tied to a rally in soybean oil following the November NOPA crush report showed a reduction in stocks. On Wednesday it was somewhat inevitable that the market gave back some of the gains and the fact that the funds were absent in the market left the smaller players to decide the market direction. It looks like the short upward trend will continue with March ending at about \$5.43. Expect the South American weather to be the focus of attention here on out. Wheat has a neutral to bearish week and most analysts are in agreement that this market is truly trying to find a bottom. On the monthly USDA Supply and Demand numbers the U.S carryover was decreased by about 15 million bushels mainly due to an export increase. On Monday we had an upward move because spread positions fell out of line and March gained about 3 cents on July (in Kansas City). On Wednesday the funds gave wheat a boost with some light buying. Seasonally this market seems to fall between now and March so we have to be thankful for any upward move.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (Mar05)	NEW (Dec05)	CASH (Jan05)	NEW(Nov05)	CASH(Mar04)	NEW(Jul05)
Western MD	+3	n/a	-49	n/a	-10	n/a
Central MD	-6	+11	-41	-24	-33	-17
Southern MD	+6	n/a	-31	n/a	n/a	-32
Upper E. Sh	+14	n/a	-26	n/a	n/a	-28
Lower E. Sh	+19	n/a	-18	n/a	-22	-27

WEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTURAL STATISTICS SERVICE

THE CROP WEATHER WILL RESUME IN APRIL 2005

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	12/07	12/14	12/07	12/14	12/07	12/14	12/07	12/14
Western Md	2.08	2.08	4.79	4.97	2.93	2.93	1.84	1.84
Central MD	1.90	1.99	4.70	5.05	2.77	2.71	2.15	2.15
Southern MD	1.98	2.11	4.87	5.15	----	----	----	----
Upper E. Shore	2.08	2.19	4.96	5.20	----	----	----	----
Lower E. Shore	2.18	2.24	4.98	5.28	2.79	2.81	1.76	1.85
Soybean Meal Lower Eastern Shore Dealer's Average Cash quotes (\$/ton)								
Date	12/07		12/14		Date		12/07	
48% Soybean Meal	186.00		194.00		44% Soybean Meal		174.00	
FORWARD CONTRACT PRICE-REGIONAL (\$/BU) for Harvest delivery Dealer's Avg Quotes								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	12/07	12/14	12/07	12/14	12/07	12/14	12/07	12/14
Western Md	----	----	----	----	----	----	----	----
Central MD	2.46	2.48	5.22	5.42	2.97	3.00	----	----
Southern MD	----	----	----	----	2.82	2.85	1.65	1.65
Upper E Shore	----	----	----	----	2.87	2.89	1.65	1.65
Lower E Shore	----	----	----	----	2.87	2.90	1.65	1.65
GRAIN FUTURES- Chicago Board of Trade (\$/bu) Settle - Dec 14, 2004								
Corn		Soybeans		Wheat		Soybean Meal ¹		
04Dec	195.00	05Jan	550.20	04Dec	285.00	04Dec	164.80	
05Mar	206.00	05Mar	550.00	05Mar	301.00	05Jan	163.70	
05May	213.60	05May	553.00	05May	308.00	05Mar	165.10	
05Jul	221.00	05Jul	559.40	05Jul	314.60	05May	166.70	
05Sep	228.60	05Aug	562.00	05Sep	321.40	05Jul	169.20	
05Dec	238.00	05Sep	562.00	05Dec	331.40	05Aug	170.50	

¹ \$/ton

HAY AND STRAW								
New Holland, PA - \$/ton - Dec 13, 2004 - 143 Loads								
Alfalfa 50.00-105.00	Mixed Hay 62.00-240.00	Timothy 60.00-175.00	Orchardgrass 60.00-122.00	Straw 75.00-220.00	Corn Fodder 35.00-65.00			
Westminister, MD - \$/bale - Dec 14, 2004 - 260 Lots								
Alfalfa 1.50-6.50	Alfalfa Mix 2.20-5.10	Timothy 1.30-3.90	Timothy Mix 1.40-3.20	Grass Mix 1.30-4.00	Straw 1.40-3.25	Mulch .40-1.00		
Southern, MD - Regional Farmers' Market - \$/bale -								
Next Sale Dec 18, 2004								
POULTRY (Grade A) - Week Ending - Dec 18, 2004								
	Current Week		Week Ago	Month Ago	Year Ago			
NY Wtd Avg. (Fryers)	64.07		64.08	61.79	62.26			
12 City Composite	68.00		68.43	67.67	66.01			
LAMBS - Westminister, MD - \$/cwt - Dec 14, 2004								
40-50 lbs	117.00-142.50	80-100 lbs	102.50-127.50	Sheep				
60-70 lbs	87.50-140.00	110-130 lbs	111.00-117.50	52.50-69.00				
TERMINAL MARKETS HOGS - Dec 14, 2004			DIRECT MARKET HOGS - Westminister, MD - Dec 14, 2004					
Base Price Range (\$/cwt) a.m.	Carcass Basis Base 185 lb Hog	Sows (1-3) 300-449 lbs	Sows 38.00-45.25					
Iowa, Minn	62.50-69.50	41.25-49.73						
Eastern Cornbelt	63.00-71.20	32.00-51.12	Millsboro, DE Market Hogs - (\$/cwt) - 42.00-44.00					
FEEDER PIGS - (\$/cwt) -								
Gumboro, DE - Dec 16, 2004			New Holland, PA - Dec 15, 2004					
Head: 476	Trend: None		Head:	Trend: None				
Under 30 lbs	170.00-315.00	50-59 lbs	65.00-165.00					
30-39 lbs	50.00-185.00	60-69 lbs	60.00- 65.00					
40-49 lbs	90.00-170.00	70-79 lbs	60.00- 85.00					
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Dec 14, 2004			HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Dec 14, 2004					
Dec04	85.18	Jun05	80.00	Dec04	74.40	May05	70.45	
Feb05	86.53	Aug05	79.35	Feb05	71.25	Jun05	72.38	
Apr05	84.03	Oct05	80.08	Apr05	70.05	Jul05	68.50	
STOCKER-FEEDER CATTLE - (\$/cwt)								
Winchester, VA - Dec 13, 2004				Westminister, MD - Dec 14, 2004				
Steers	300- 400 lbs	114.00-122.50		Steers (M&L)	300-400 lbs	82.00-120.00		
	400- 500 lbs	113.50-123.00			500-600 lbs	82.00- 99.00		
	500- 600 lbs	96.00-110.50			700-800 lbs	72.00- 80.00		
	600- 700 lbs	87.00-100.50			900 lbs	67.00- 70.00		
	700- 800 lbs	88.75- 90.00			Heifers (M&L)	200-300 lbs	74.00-104.00	
Heifers	300- 400 lbs	103.00-115.00		400-500 lbs		70.00- 95.00		
	400- 500 lbs	98.75-109.00		600-700 lbs		70.00- 89.00		
	500- 600 lbs	85.00- 99.50		800-900 lbs		48.00- 67.00		
	600- 700 lbs	79.00- 89.00		Hols Bulls		80- 90 lbs	110.00-160.00	
	Lancaster, New Holland & Vintage - Week Ending - Dec 18, 2004				Returned to feed	100-110 lbs	105.00-175.00	
				115 lbs		105.00-152.50		
Bull, Holstein		90-125 lbs	140.00-210.00		Plainer	90-125 lbs	120.00-212.00	
Heifers, Hols		90-125 lbs	410.00-535.00		Plainer	90-125 lbs	275.00-435.00	
SLAUGHTER CATTLE (\$/cwt)								
Westminister, MD - Dec 14, 2004				Fed Heifers				
Fed Steers				Ch		75.00- 79.25		
Select		71.00-77.00		Select		70.00- 75.00		
Cows				Unfinished or too Fat		50.00- 69.00		
High Dressing		46.50-52.00		Calves				
Breakers		40.75-46.00		Slaughter Calves		32.50-100.00		
Boners		36.00-40.00		Hols Heifers		230.00-405.00		
Weak & Thin		35.00-Down		Jerseys		5.00- 30.00		
Lancaster, New Holland & Vintage - Week Ending - Dec 18, 2004								
Steers, Choice 2-3		1120-1495 lbs		80.00-83.75		Steady		
Heifers, Choice		1035-1485 lbs		77.00-80.75		None		
Cows, Breakers 75-80 pct Lean				46.50-53.50		Steady to \$2 lower		
Bulls, YG-1		1050-2165 lbs		53.25-64.75		Steady to \$5 higher		

For more information about this report, call 410-841-5740 or write:

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